

SECRET

EPD-7197-59

23 October 1959

MEMORANDUM FOR : Deputy Director (Plans)
THROUGH : Acting Chief, EPD-DE/P
SUBJECT : Weekly Report No. 60-16

1. Pursuant to your request, attached is Weekly Report No. 60-16 covering contract documents issued during the period of 18 October through 24 October 1959.

2. The following items of interest are furnished for your information:

a. Development Branch

(i) CHALICE

A. Section - Discussions were held with [redacted] and the current estimate on HQ-1806 overrun is [redacted]. It is anticipated that [redacted] comments will be reviewed by Messrs Lundahl and [redacted] PIC. An audit will also be performed in the near future to determine actual costs incurred. Only [redacted] is included in the current budget for this item.

B. [redacted] - No procurement action on an additional system will be taken until further word is received per DE/P instruction. There is no funding included in the current budget for this item.

(ii) GUSTO

A. CONVAIR - The Contractor (San Diego Division) has advised us that last year they failed to claim the cost of wind tunnel testing [redacted] in the original 93-100 work done with that Division of the company. This amounts to a [redacted] overrun and 1959 funding has been found to cover this cost. (See Attachment - Weekly Report No. 60-16).

(iii) GREENT

A. Firewal - [redacted] has furnished some figures concerning extension of their work. However, these were incomplete and confusing. Accordingly, he was requested to furnish a technical proposal and a cost breakdown by next week. There is [redacted] in the budget for personal equipment. No approval to proceed with any additional work has been given to this Contractor.

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B. Perkin-Elmer - \$29,472 of the [REDACTED] available for cameras has been obligated by contract pursuant to DFP-4-6866. Inadvertently, this amount was not included in the most current program approval on the COMINT program.

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C. [REDACTED] - The test film previously procured from this Company [REDACTED] continues to show much promise, and an additional small quantity is being purchased for further test. It is possible that larger quantities might be purchased for COMINT in the future, if successful testing continues. Purchases from this Company were not anticipated at the time the budget was prepared.

(iv) COMINT - The Contractor estimates that the Shephard Committee recommendations may cost up to [REDACTED] to implement. The Contractor is being authorized to proceed and will submit a proposal in the near future. This work will be added to the original COMINT program (1959 Contract RT-100). At the present time, a total of [REDACTED] is in the COMINT budget to cover contingencies and overruns. [REDACTED] memorandum on his last trip indicated approximately [REDACTED] additional overrun because of [REDACTED] overhead adjustments. Further discussions with the Contractor indicate this can be absorbed within the [REDACTED] ceiling presently in that contract (RT-100).

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D. Administration Branch - A program approval involving approximately \$10,000 for washing machines, transportation thereof and modifications to existing buildings will be forwarded to you in the near future.

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[REDACTED]
Chief, Contracts Branch, DFP

ATTACHMENT

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DFP-DD/P [REDACTED]

Distribution:

- 1 - Mr. Bissell
- 1 - A/CH/DFP
- 1 - CH/IB/DFP
- 1 - CH/Admin/DFP
- 1 - CH/Contracts/DFP
- 1 - Comp., DFP
- 1 - Security, DFP
- 1 - CH/Mat/DFP
- 1 - CH/Ops/DFP
- 1 - Audit Liaison

- 2 -